

## BUSINESS PLAN PROJECT

Business plans are an effective tool for evaluating, organizing, and selling a new business concept. A well-developed business plan can be a key component of a successful business start-up. This event recognizes FBLA members that demonstrate an understanding and mastery of the process required to develop and implement a new business venture.

### CONTENT

An effective business plan should include the following information:

- Executive Summary: Provides a brief synopsis of the key points and strengths included in the plan. Convinces the reader to read the rest of the report.
- Company Description: Includes the basic details of the business. Provides an overview of the business, its location, and its legal structure and organization.
- Industry Analysis: Provides an analysis of the larger industry to which the business will belong. Analyzes key trends and players in the industry. Demonstrates an understanding and awareness of external business conditions.
- Target Market: Provides a brief overview of the nature and accessibility of the target market.
- Competitive Analysis: Includes an honest and complete analysis of the business' competition. Demonstrates an understanding of the business' relative strengths and weaknesses.
- Marketing Plan and Sales Strategy: Demonstrates how the business' product or service will be marketed and sold. Includes both strategic and tactical elements of the marketing and sales approach.
- Operations: Provides an overview of the way the business will operate on a day-to-day basis. Includes production processes, physical facility reviews, utilization of technology, and processes followed to ensure delivery of products or services.
- Management and Organization: Describes the key participants in the new business venture. Identifies the human resources the business can draw upon either as part of the management team, employee pool, consultants, directors, or advisers and the role each will play in the business' development. Discusses compensation and incentives and details decision-making processes.
- Long-Term Development: Gives a clear vision for where the business will be in three, five, or more years. Demonstrates an honest and complete evaluation of the business' potential for success and failure. Identifies priorities for directing future business activities.
- Financials: Indicates the accounting methodology to be used by the business. Discusses any assumptions made in projecting future financial results. Presents projections honestly and conservatively.

In addition, many business plans include copies of key supporting documents (e.g. certifications, licenses, tax requirements, codes, etc.) in an appendix. Other examples of these types of documents might include letters of intent or advance contracts, product technical descriptions and/or illustrations, endorsements, etc.

## ELIGIBILITY

Each district may submit one report. Local chapter members do not have to attend the State Leadership Conference to enter this event.

Each report may be authored by an individual member or by a team, not to exceed three members. The report must not have been submitted for a previous State Leadership Conference.

## REGULATIONS

1. An entry form accompanied by a copy of the report (original or copy) must be postmarked no later than March 17.
2. The report formats must adhere to the following guidelines:
  - A. Report Contents
    1. Reports must contain a table of contents. A title page, divider pages and appendices are optional.
    2. Reports must not exceed 30 pages, including the title page, table of contents, divider pages, and appendices. Front and back covers are not counted in the page limit.
    3. Pages must be standard 8 ½" by 11" paper.
    4. Pages must not be laminated or bound in sheet protectors.
    5. Reports may be single- or double-spaced.
    6. Each side of the paper providing information is counted as a page.
    7. Valuable items should not be included with the report. Copies should be sent rather than important original documents.
    8. No items may be attached to any page in the report. Scrapbooks and loose or bulky exhibits are not acceptable.
  - B. Report Covers
    1. Both a front and back cover are required.
    2. Report covers must contain the following information: Name of the School; State Chapter; Name of the Event; Year. They may also contain additional information but are not counted against the page limit.
    3. Report covers must be of a weight such as cover stock, index stock, or card stock.
    4. Covers may not be in plastic binders, be laminated, or have a plastic sheet overlaying the printed cover.
    5. All reports must be bound (e.g. tape binding, spiral binding)
    6. No items, such as labels or decals, may be attached to the front cover.
    7. Two- or three-ring binders are not acceptable as report covers.
    8. Report covers must not exceed 9½" x 12".

### C. General Requirements

1. Reports must be prepared by student members, not advisers. Local chapter advisers should serve as consultants to ensure that the report is well organized, contains substantiated statements, and is written in an acceptable business style.
2. Reports must describe **proposed** business ventures. The business venture must also be currently viable and realistic. The business described in the project report must not have been in operation for a period exceeding 12 months prior to the National Leadership Conference. Reports should not be submitted that evaluate ongoing business ventures.
3. Entries must adhere to all of these regulations or be disqualified without being judged.

### FORMAT

The report format should follow that of the rating sheet. If it does not, the report will be disqualified. If information is not available for a particular criterion, include a statement to that effect in the report. The report must be similar to that of a business report with substantiated statements in a clear and concise format. Creativity through design and use of meaningful graphics is encouraged.

### PROCEDURES

1. The state office secures judges and sets the date for judging. The date is usually two weeks preceding the State Leadership Conference.
2. Reports are returned to advisers at the end of the conference. If time and space permit, projects are on display for members and advisers to view during the conference.

### JUDGING

Judges complete a rating sheet on each project and assign a rank to it. The rating sheets should substantiate the rankings.

The rank given by each judge for the report is recorded on a ranking sheet. The ranks for each report are totaled. The report with the highest rank is the winner. The highest rank is one.

In the event of ties, the report receiving more small numbers from the judges is the winner. If ties remain after using this step, judges are to break the ties.

### AWARDS

A plaque is awarded to the first place and second place winners and certificates are presented to the chapters winning third through tenth places.

### REPRESENTATION AT NATIONAL

The first and second place winners are entitled to represent the state chapter at the National Leadership Conference.

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Rank the reports within a first to last order. No ties.

Evaluation Item	Not Demonstrated	Does Not Meet Expectations	Meets Expectations	Exceeds Expectations	Points Earned
<b>Report Content</b> <u>Executive Summary</u> *Convinces reader that business concept is sound and has a reasonable chance of success *Is concise and effectively written	0	1 - 7	8 - 14	15 - 20	
<u>Company Description</u> *Legal form of business *Effective date of business *Company mission statement/vision *Company governance *Company location(s) *Immediate development goals *Overview of company's financial status	0	1 - 5	6 - 10	11 - 15	
<u>Industry Analysis</u> *Description of industry (size, growth rates, nature of competition, history) *Trends and strategic opportunities within industry	0	1 - 5	6 - 10	11 - 15	
<u>Target Market</u> *Target market defined (size, growth potential, needs) *Effective analysis of market's potential, current patterns, and sensitivities	0	1 - 5	6 - 10	11 - 15	
<u>Competition</u> *Key competitors identified *Effective analysis of competitors' strengths and weaknesses *Potential future competitors *Barriers to entry for new competitors identified	0	1 - 5	6 - 10	11 - 15	
<u>Marketing Plan and Sales Strategy</u> *Key message to be communicated is identified *Options for message delivery identified and analyzed *Sales procedures and methods defined	0	1 - 5	6 - 10	11 - 15	
<u>Operations</u> *Business facilities described *Production plan defined and analyzed *Workforce plan defined and analyzed *Impact of technology	0	1 - 5	6 - 10	11 - 15	

Evaluation Item	Not Demonstrated	Does Not Meet Expectations	Meets Expectations	Exceeds Expectations	Points Earned
<b>Report Content (cont.)</b> <u>Management and Organization</u> *Key employees/principals identified and described *Board of directors, advisory committee, consultants, and other human resources identified and described *Plan for identifying, recruiting, and securing key participants described *Compensation and incentives plan	0	1 - 5	6 - 10	11 - 15	
<u>Long-term Development</u> *Long-term goals identified and documented *Risks and potential adverse results identified and analyzed *Strategy to lead business to long-term goals	0	1 - 5	6 - 10	11 - 15	
<u>Financials</u> *Type of accounting system to be used is identified *Financial projections, including monthly cash flow projections, appear sound and reasonable *Financial assumptions clearly identified	0	1 - 7	8 - 14	15 - 20	
<u>Supporting Documents</u> *Works cited page, certifications, licenses, tax requirements, codes, technical descriptions, advance contracts, endorsements, etc.	0	1 - 5	6 - 10	11 - 15	
<b>Format of Report</b> Clear and concise presentation with logical arrangement of information	0	1 - 3	4 - 7	8 - 10	
Creativity of written presentation, design, and graphics	0	1 - 2	3 - 4	5	
Correct grammar, punctuation, spelling, and acceptable business style	0	1 - 3	4 - 7	8 - 10	

**Total Points**

/200 max.

Verification of total score (initials)

\_\_\_\_\_ Event Supervisor

\_\_\_\_\_ Event Supervisor

**RANKING SHEET - MISSOURI FBLA  
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NAME OF SCHOOL	RANK BY JUDGE	RANK BY JUDGE	RANK BY JUDGE	TOTAL	FINAL RANK (Smaller Number Wins)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					
19.					
20.					

In the event of a tie, the tie will be broken by awarding the higher rank to the person who received more small numbers from the judges.

$$\begin{array}{ccccccc}
 \downarrow & \downarrow & & & \downarrow & & \\
 \text{Example: } & 1 & 2 & 6 & = & 9 & 2 \\
 & 2 & 3 & 4 & = & 9 & 2
 \end{array}$$
 } Tied for second place      **Winner**

If tie remains after this step, judges will make a decision as to the rank to be assigned to the participants.